Losses in PSUs

1102. SHRI ANANTRAY DEVSHANKER DAVE: Will the Minister of DISINVESTMENT be pleased to state:

(a) how many Public Sector Undertakings are running in loss for the last three years;

(b) whether any efforts have been made during this period by Government to come out from the losses;

(c) what are the main reasons of losses; and

(d) what steps Government propose to take?

THE MINISTER OF STATE OF THE MINISTRY OF INFORMATION AND BROADCASTING AND MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN JAITLEY): (a) The information in regard to the number of PSUs running in losses during the last 3 years, i.e. 1995-96, 1996-97 and 1997-98, the period for which the information is available, is available at statement 7B of Volume-I, Public Enterprises Survey, which was laid in the Parliament on 26.02.99 and is a published document.

(b) to (d) The reasons for losses, in general, include obsolete plant and machinery, outdated technology, low capacity utilisation, excess manpower, resource crunch, high interest burden etc. it is the constant endeavour of the Government to revive and turn around such units. Administrative Ministries undertake enterprise-specific measures. Board for Industrial and Financial Reconstruction (BIFR) have also sanctioned revival scheme for a number of sick CPSUs. However, some of the common steps taken by the Govt. include periodical review meetings by the administrative Ministries, professionalisation of PSU Boards, rationalisation of manpower, formation of joint-ventures, capital restructuring, technological upgradation, modernisation of plant and machinery etc.